

# **FISCAL NOTE**

## **SB 235 - HB 698**

March 31, 1997

**SUMMARY OF BILL:** Requires health insurers and managed care organizations to provide coverage of diabetes equipment and supplies. Requires coverage to include reimbursement to licensed pharmacists for expenses incurred in instructing and monitoring a patient regarding the proper use of such equipment and supplies.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Exceeds \$100,000**

**Other Fiscal Impact - Increase Expenditures/Health Insurance Industry - Exceeds \$100,000<sup>1</sup>**

Assumes most services and supplies listed in the bill are currently covered under TennCare.

Assumes increased cost for reimbursement to pharmacists for instructing and monitoring patients in regard to proper use of equipment. Assumes instructions and monitoring are currently provided by physicians or pharmacists.

This bill would not directly impact the state employee health insurance plan and most local government health insurance plans since self-insured plans are exempted by Federal law (ERISA).

<sup>1</sup>The impact on the health care industry is included as required by Chapter 244 of the Public Acts of 1989.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director